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DIRECTORATE FOR SCIENCE, TECHNOLOGY AND INDUSTRY COMMITTEE ON CONSUMER POLICY

DRAFT DECLARATION ON CONSUMER PROTECTION IN THE CONTEXT OF ELECTRONIC COMMERCE

to be made by OECD Ministers at the Conference on "A Borderless World: Realising the Potential of Global Electronic Commerce"

Ottawa, Canada, 8-9 October 1998

The attached [Draft] Declaration on Consumer protection in the context of electronic Commerce was approved by the Committee on Consumer Policy during its meeting on 3-4 September. The draft Declaration will be forwarded to the OECD Council for consideration with a view to its transmission by the Secretary-General to the OECD Ministerial Conference scheduled for 8-9 October 1998 in Ottawa, Canada.

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[Draft] DECLARATION ON CONSUMER PROTECTION IN THE CONTEXT OF ELECTRONIC COMMERCE

to be made by OECD Ministers at the Conference "A Borderless World: Realising the Potential of Global Electronic Commerce" 7-9 October 1998, Ottawa, Canada

The Governments of OECD Member Countries¹

CONSIDERING:

that both the volume and value of consumer transactions on the global network are increasing exponentially;

that global networks offer consumers substantial benefits, including convenience and access to a wide range of goods, services and information;

that the potential benefits will not be realised if consumer confidence in commerce conducted over global networks is eroded by the presence of fraudulent, misleading and unfair commercial conduct;

that confidence in commercial activities conducted over global networks will be fostered by transparent and effective consumer protection mechanisms and is essential to encourage consumer participation in the electronic marketplace; and

that global co-operation among governments, businesses, consumers, and their representatives, is a necessary prerequisite to achieving effective and predictable consumer protection in the context of electronic commerce.

RECOGNISING:

the need for government, business, consumers and their representatives to continue to work together on the development of a framework for global electronic commerce that includes effective protection for consumers; and

the continuing dialogue within the OECD among governments, businesses, consumers, and their representatives, to examine consumer-related issues, and, in particular, the ongoing work of the organisation, through its Consumer Policy Committee, to develop guidelines for consumer protection in the context of electronic commerce.

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¹ Including the European Communities.

DECLARE THEIR DETERMINATION TO ensure that consumers who participate in electronic commerce are afforded a transparent and effective level of protection for electronic transactions by:

reviewing and adapting laws and practices, if necessary, to address the special circumstances of electronic commerce;

supporting and encouraging the development of effective market-driven self-regulatory mechanisms that include input from consumer representatives, and contain specific, substantive rules for dispute resolution and compliance mechanisms;

encouraging the development of technology also as a tool to protect consumers;

taking steps to educate users, fostering informed decision-making by consumers participating in electronic commerce, and increasing business awareness of the consumer protection framework that applies to their online activities; and

increasing awareness among judicial and law enforcement officials of the need for effective international co-operation to protect consumers and combat cross-border fraudulent, misleading and unfair commercial conduct.

FURTHERMORE, THEY AFFIRM THEIR DETERMINATION:

to develop effective guidelines whose purpose is to enhance consumer confidence in electronic commerce transactions while encouraging the development of the global marketplace; and

to urge the OECD to complete its work to draft guidelines within 1999, more specifically as pertains to consumer protection issues including, for example, full and fair disclosure of essential information, advertising, complaint handling, dispute resolution, redress as well as other relevant issues in consumer protection.